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# Foreign CROPS AND MARKETS



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FOR RELEASE

MONDAY

OCTOBER 17, 1949

UNITED STATES DEPARTMENT OF AGRICULTURE

OFFICE OF FOREIGN AGRICULTURAL RELATIONS

WASHINGTON 25, D.C.

## L A T E      N E W S

The first official estimate places the 1949 cotton crop in Egypt at 1,616,000 equivalent bales of 500 pounds gross. This is a decrease of 12 percent from last year's final estimate of 1,836,000 bales despite an increase of 17 percent in acreage from 1,496,000 acres to 1,754,000 acres. Unusually low yields per acre reported this year resulted from heavy damage by cotton leaf worm and bollworm, especially in the lower delta provinces.

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Cotton planting in Uganda (British East Africa) for the 1949-50 crop was much later than usual this year because of drought. No estimates are available yet but production and acreage may be somewhat smaller than the 317,000 bales (of 500 pounds gross) harvested from 1,551,000 acres in 1948-49.

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The British milk allowance to non-priority consumers was increased on October 9 from 2 pints to 2.5 pints per person weekly as a result of an improvement in milk production following the recent severe decline. Allotments to catering establishments will be increased proportionately on the same date.

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Newcastle disease has been reported in eleven magisterial districts in the Union of South Africa. This country has been previously regarded as relatively free from poultry disease and has maintained rather strict import regulations for poultry.

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**FOREIGN CROPS AND MARKETS**

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## HOG SLAUGHTER RISES IN 1949 1/

Commercial or inspected hog slaughter in the major pork and bacon producing countries of the world in 1949, for which data are available, indicates an increase of about 14 percent over a year earlier according to a summary by the Office of Foreign Agricultural Relations. Total slaughterings for these countries now exceed the prewar level. If economic and producing conditions continue about the same next year, the prospective slaughter for 1950 can be expected to increase substantially, particularly in Europe, North America and a few South American countries.

The increase of commercial or inspected hog slaughter in 1949 generally reflects the improved feed situation in most of the principal producing countries, which enabled them to expand their hog operations. Although sizeable increases occurred in Argentina, the Union of South Africa and the United States, the largest percentage increases took place in the war devastated countries of Europe. On the other hand, some decreases occurred in Canada, Mexico, Cuba and Uruguay, while New Zealand remained unchanged from a year earlier. Such factors as continuance of relatively high purchasing power, strong consumer demand for meat, plans to restore hog numbers to prewar levels in war devastated countries, favorable growing conditions, and availability of feed from foreign sources contributed largely to this year's gains and towards the probability of a substantial increase in 1950.

Slaughter in North American countries this year was higher than in 1948 primarily because of a 12 percent increase in United States inspected slaughter. Otherwise, slaughter decreased in the other North American countries. Present slaughter volume in all of the countries, except Cuba, is considerably above the 1934-38 prewar average.

Commercial or inspected hog slaughter in the principal European countries is expected to be about one-third larger in 1949 than in the preceding year. This gain reflects the improved feed situation during the past year and a half and the upward trend in hog numbers. In relation to prewar, all of the reporting countries, except Portugal and Sweden, were substantially below their prewar volume, ranging from 23 percent below in Czechoslovakia to 64 percent below in Norway. Restoration of hog numbers in most of these countries has been retarded by limitations on the quantities of domestic and foreign feed supplies available. Feed imports during the past year were largely limited by foreign exchange restrictions. Realignment of currencies may enable many of these countries to purchase needed feed supplies, particularly from such countries as Argentina, Canada and possibly other European countries.

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1/ A more extensive statement may be obtained from the Office of Foreign Agricultural Relations.

HOGS: Slaughter (commercial or inspected) in specified countries, calendar year, average 1934-38, annual 1947-1950

Continent and country	Average		Preliminary		Indicated	
	1934-38	1947	1948	1949	1950	
	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands
<u>NORTH AMERICA</u>						
Canada 1/	3,239	4,453	4,486	3,900	4,300	
Mexico 2/	1,280	1,897	1,800	1,620	1,700	
United States- Inspected	34,673	49,116	47,615	53,200	60,000	
- Total	57,229	74,710	72,311	77,400	85,000	
Cuba 3/	270	385	425	270	260	
<u>EUROPE</u>						
Austria 4/	5/ 1,798	892	866	1,000	1,150	
Belgium 4/	1,949	609	993	1,350	1,700	
Bulgaria 3/	134	23	-	-	-	
Czechoslovakia 4/	5/ 3,614	2,572	2,145	2,800	3,700	
Denmark 3/	4,355	2,031	1,604	2,525	3,700	
Eire 3/	6/ 7/ 1,119	450	384	515	715	
Finland 1/	8/ 216	-	-	-	-	
Germany Bizonc 3/	6/ 6,500	512	176	500	2,000	
Hungary 3/	1,434	86	-	-	-	
Netherlands 4/	2,133	1,068	1,067	1,500	2,500	
Norway 1/	333	86	55	120	180	
Poland 1/	5/ 6,100	2,811	4,177	4,200	5,400	
Portugal 1/	225	258	338	400	325	
Rumania 3/	5/ 777	-	-	-	-	
Spain 9/	10/ 397	102	-	-	-	
Sweden 3/	1,396	1,037	1,158	1,500	1,530	
Switzerland 1/	793	317	500	600	620	
United Kingdom 3/ 11/	6/ 5,633	801	1,040	2,350	2,750	
Yugoslavia 3/	661	-	-	-	-	
<u>ASIA</u>						
Japan 3/	1,150	96	238	304	350	
Philippine Islands 3/	795	616	716	750	775	
<u>SOUTH AMERICA</u>						
Argentina 1/	1,240	873	1,057	1,300	1,800	
Brazil 3/	2,960	5,256	5,250	5,500	5,650	
Colombia 3/	594	613	619	620	610	
Uruguay 3/	86	132	140	115	100	
<u>AFRICA</u>						
Union of South Africa 3/	251	480	619	750	775	
<u>OCEANIA</u>						
Australia 3/	7/ 1,912	1,524	1,614	1,675	1,700	
New Zealand 3/	12/ 968	614	643	646	650	

1/ Inspected slaughter. 2/ Total slaughter. 3/ Commercial slaughter. 4/ Total official slaughter. 5/ Year 1936 only for Czechoslovakia, year 1938 only for Poland, and year 1939 only for Rumania and Austria. 6/Average for 4 years only. 7/ Year beginning June 1 for Eire and July 1 for Australia. 8/ Average for 3 years only. 9/ Slaughter in provincial capitals. 10/ Average for years 1931-35. 11/ Great Britain only. 12/ Year ending September 30.

Office of Foreign Agricultural Relations. Prepared or estimated from official statistics, U.S. Foreign Service reports, and other information. Data relate to present boundaries, unless otherwise noted.

Total inspected or commercial slaughter in the principal hog-producing countries of South America have shown a steady increase during the past 3 years. As a result the 1949 slaughter is about 54 percent above the prewar level. Notwithstanding the downward trend in Argentine hog numbers during the past several years and the heavy hog losses that occurred in Brazil in recent years from cholera, more hogs are going into commercial slaughter channels in these countries. A favorable hog-corn ratio and inclusion of pork in the recent Anglo-Argentine agreement can be expected to increase hog numbers and to further augment the volume of commercial slaughter.

Commercial hog slaughter in Australia has shown a slight upward trend during the 1946-49 period, but is still approximately 12 percent below the 1934-38 prewar average. New Zealand's commercial hog slaughter also continued its progressive increases during the last 3 years. However, the estimated slaughter for 1949 is more than 30 percent below the 1934-38 average. The Union of South Africa also is expected to increase its commercial hog slaughter by more than 20 percent in 1949 and now is approximately 3 times larger than the prewar level. Japan and the Philippines also indicate some increase in their 1949 commercial slaughter with present volume about 26 and 94 percent, respectively, of prewar.

Commercial slaughter of hogs in 1949 for the United Kingdom, exclusive of Northern Ireland, is expected to more than double last year's volume. The Government policy to expand hog numbers and its decision to liberalize feed rations for hogs are responsible for the large increase expected this year. The United Kingdom, the largest importer of pork and pork products, imported about one-third less bacon and pork during the first seven months of 1949 than was brought in during a similar period in 1948. However, the increase in domestic production in all probability will more than offset this drop. Meat supplies in the United Kingdom will be augmented by the recent Anglo-Argentine Agreement which includes pork and pork products. Also, increased exports of bacon and small quantities of pork from Denmark will tend to offset the decline that has occurred in Canadian bacon exports this year.

Data on commercial slaughter for the Soviet Union, Eastern and Southern European countries are not available, but moderate increases can be expected in those areas. Such increases are believed to have occurred due to the numerous Government plans in effect in many of these countries and the relatively good feed situations which prevailed during the past year.

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This is one of a series of regularly scheduled reports on world agricultural production, approved by the Office of Foreign Agricultural Relations Committee on Foreign Crops and Livestock Statistics. For this report the Committee was composed of Joseph A. Becker, Chairman, Elmer A. Reese, Hazel B. Kefauver, Stanley Mehr and Dwight R. Bishop.

## WORLD COTTON TRADE STIMULATED BY ECA

World cotton exports of nearly 11.0 million bales (of 500 pounds gross weight) in the 1948-49 (August-July) marketing year were about 24 percent higher than the 1947-48 total of 8.8 million bales. The increase of 2,937,000 bales in exports from the United States was partly offset by a net decrease of 800,000 bales in exports from foreign countries as a whole. This shift in sources for cotton entering world trade is partly a result of diminishing stocks of American-type cotton available for export from foreign-producing countries. Of equal importance, however, are the results of Economic Cooperation Administration and other United States Government sponsored programs under which about 3,254,000 bales altogether were exported to the participating countries of Western Europe, and China, and 686,000 to Japan and Korea on credit terms.

The trend toward the use of larger quantities of United States cotton in Europe may be continued to some extent in 1949-50 for the two reasons mentioned. This trend as reflected in 1949-50 imports, however, may be limited by a serious shortage of dollar exchange, particularly in Europe, the existence of sizeable stocks of cotton in some of the major importing countries, and slightly decreased consumption anticipated in some of them. World consumption as a whole is expected to be down by about 700,000 bales in 1949-50 to around 27.9 million bales (United States cotton in running bales) and may influence trade to that extent, but most of the decrease in consumption will be in China and to a smaller extent in India.

United States exports of 4,962,000 (500-pound bales) (4,748,000 running bales) in 1949-50 were more than double the total for the previous year and the largest since 1939-40. Exports under the ECA Program to European countries and their overseas territories represented 60 percent of the total. An additional 13.8 percent was accounted for by exports to Japan and Korea under a revolving credit fund and 5.7 percent to China under the Economic Cooperation Program. These programs (except in China) will be continued through the 1949-50 season and may be expected to maintain United States exports at a level around 200,000 to 300,000 bales below last year's figure. Curtailment of Economic Cooperation in China, competition from lower-priced Mexican cotton, and a slight decrease in consumption in some countries this year are the principal factors that may influence a small decrease in exports from the United States.

Brazil's exports of 955,000 bales in 1949-50 were down by 94,000 bales from the previous year as a result of depleted stocks, less than average production, and relatively high prices. The same conditions still exist and may limit exports in 1949-50 to not more than 600,000 bales.

Exports of 209,000 bales from Peru were down by 58,000 bales as a result of depleted stocks and late harvesting of the 1948-49 crop.

## COTTON: World exports by countries of origin

(In bales of 500 pounds gross weight)

Country	Year beginning August 1							
	1942	1943	1944	1945	1946	1947	1948	1/
NORTH AMERICA								
Mexico.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
United States.....	1,498	1,146	1,909	3,678	3,656	2,025	4,962	
Others.....	22	31	13	29	10	31	24	
Total.....	1,546	1,208	2,047	3,970	3,870	2,415	5,225	
ASIA								
China.....	325	74	40	0	2/	0	0	0
India.....	134	277	317	848	827	1,061	261	
Pakistan 3/.....	-	-	-	-	-	44	850	660
Iran.....	0	0	2/	0	8	6	16	
Iraq 5/.....	6	7	0	0	1	2/	2	
Turkey.....	50	36	34	2/	1	5	135	
Others 6/.....	100	112	75	45	7	16	50	
Total.....	615	506	466	893	844	1,938	1,124	
SOUTH AMERICA								
Argentina.....	15	47	43	125	36	0	28	
Brazil.....	452	533	461	1,462	1,517	1,049	955	
Paraguay.....	26	5/	26	30	40	50	31	27
Peru.....	141	153	156	1425	366	267	209	
Others.....	2/	2/	0	0	0	0	0	
Total.....	634	759	690	2,052	1,969	1,347	1,219	
AFRICA								
Anglo-Egyptian Sudan.....	74	295	330	280	249	226	334	
Angola 5/.....	24	12	26	20	33	25	19	
Belgian Congo 5/.....	149	191	138	171	221	206	203	
British East Africa 5/.....	248	145	195	269	212	230	340	
Egypt.....	384	794	804	862	1,467	1,567	1,611	
French Equatorial Africa 5/.....	77	42	77	88	109	93	140	
French West Africa 5/.....	18	2/	14	11	7	3	4	
Mozambique 5/.....	66	71	110	66	150	81	100	
Nigeria 5/.....	87	34	20	5	31	29	42	
Others.....	2	2	2	2	2	2	2	
Total.....	1,129	1,586	1,716	1,774	2,481	2,462	2,795	
Other countries 7/.....	4	1	0	400	450	675	600	
World total.....	3,928	4,060	4,919	9,089	9,614	8,837	10,963	

1/ Preliminary. 2/ Less than 500 bales. 3/ Reported separately for the first time for 1947-48.

4/ Includes about 230,000 bales of exports from Pakistan to India. In earlier years this movement was internal trade. To this extent Asia and world totals in 1947-48 are not comparable with earlier years. 5/ Calendar years. 6/ Mostly Burma and Korea. 7/ Mostly U.S.S.R.

Office of Foreign Agricultural Relations. Prepared or estimated from official statistics, reports of U.S. Foreign Service officers, results of office research and other information.

Argentine exports amounted to only 28,000 bales in 1948-49 following a year when no cotton was exported. Exports have been prohibited or subject to license for 3 years because the small-to-average crops harvested during those years were little more than sufficient for domestic mill requirements.

Mexico's exports of 239,000 bales were 120,000 bales lower than in 1947-48 when most of the wartime accumulation of stocks was liquidated. The export surplus from the 1949 record crop and old-crop stocks on hand amounts to about 450,000 bales.

Egypt's exports of 1,611,000 bales were 44,000 higher than in 1947-48 and the highest since 1939-40. The rise in exports in postwar years has exceeded the rise in production, thus reducing end-season stocks each year. Old-crop stocks on hand August 1, 1949, together with the 1949 crop, however, will provide an export surplus of over 2.1 million bales for 1949-50. This is considered as more than sufficient to meet all probable demand this year.

Exports of 334,000 bales from the Anglo-Egyptian Sudan, 340,000 from British East Africa, 140,000 from French Equatorial Africa, and 100,000 from Mozambique in 1948-49 represented an increase of 45 percent for this group over the total for 1947-48. These increases totaling 284,000 bales resulted largely from increased production last year with some advance in the planting and harvesting dates. Supplies available for export from Africa outside of Egypt may be slightly smaller in 1949-50 as crops this year are reported to be smaller.

Exports from India totaled only 261,000 bales in 1949-50, a sharp drop of 800,000 bales resulting from depleted stocks and a small 1948-49 crop. The prospective crop for 1949-50 probably will not provide more than 200,000 bales for export this year. This situation may result partly because larger quantities of Indian cotton may be used in India this year in lieu of foreign-grown cotton, insufficient quantities of which are expected to be available on acceptable terms.

Pakistan's exports of 660,000 bales in 1948-49 were down by 190,000 bales from the previous year because of decreased production and congestion of export movements that caused some increase in season-end stocks. An expected increase in production this year and slightly larger stocks to begin the season should result in a 1949-50 export surplus of at least 800,000 bales. Demand for Pakistan cotton probably will exceed supply this year because of the fact that three-fourths of it is American Upland type and may be paid for in sterling or through barter agreements.

Exports from the U.S.S.R. in 1949-50 are estimated at 600,000 bales based on incomplete trade and consumption data from the countries of Eastern Europe. These exports are comprised almost entirely of cotton exported under compensation agreements whereby a substantial portion is returned to the U.S.S.R. as finished goods and in this sense may not be considered as an export surplus. Turkey's exports increased to 135,000 bales from 5,000 in 1947-48 following the harvesting of a large 1948 crop and the abandonment of government price supports.

Little change is expected in demand from importing countries this year except in China and also in India where a 500,000-bale increase in production is forecast. Stocks in the other importing countries are sufficient for only 3 to 6 months' requirements, except in the United Kingdom where a 9-month supply was reported on August 1, 1949. Shortage of dollar exchange should result in heavy demand for sterling-area cotton (India, Pakistan, and all of Africa), and to a lesser extent, South American cotton, provided prices are not too far out of line. Supplies available from all foreign-producing countries except Egypt and Mexico, however, are too low to permit much, if any, shift to other areas for purchases to fill normal needs for American-type cotton.

#### U. S. TRADE IN AGRICULTURAL PRODUCTS DURING AUGUST 1949

On a value basis, United States exports of agricultural products during August, the second month of the fiscal year 1949-50, amounted to \$244,000,000 compared with \$235,000,000 during the preceding month and with \$297,000,000 during August last year. The monthly average for all of 1948-49 was \$318,000,000 compared with \$292,000,000 in 1947-48.

Wheat and wheat flour continued in first place during the month, but while the value of the August exports of these items was higher than for July it was far under the August 1948 level. Tobacco replaced cotton as the second most important item, the value of the exports showing a substantial increase both over that for the preceding month and over the month of August a year ago.

On a quantitative basis, the outstanding features of the August exports, compared with those for August last year, were the substantial reductions in a number of items (including cheese, condensed and evaporated milk, horse meat, oranges, grapefruit, prunes, raisins, wheat and wheat flour, soy flour and potatoes), and a marked increase in a number of other items (including non-fat milk solids, pork, tallow, lard, corn, rice, peanuts, soybeans, soybean oil and leaf tobacco).

United States imports of agricultural products during the month were valued at \$225,000,000 compared with \$205,000,000 in the preceding month and with \$258,000,000 in August a year ago. Coffee, sugar, wool and crude rubber continued to head the list. Especially significant is the fact that August imports were only \$19,000,000 in value under exports. In the preceding month, imports fell below exports by \$30,000,000 and in August a year ago by \$39,000,000.

On a quantitative basis, the outstanding features revealed by the August import figures compared with August last year, were the reductions in imports of canned beef, wool, cotton, olives in brine, copra, coconut meat, castor beans, tung oil, molasses unfit for human consumption, tomatoes, bananas, tea and crude rubber. On the other hand, imports of casein and lactarene, hides and skins, prepared or preserved pineapples, barley malt, coconut oil, palm oil, potatoes, coffee, cocoa and spices show considerable increases.

## UNITED STATES: Summary of exports, domestic, of selected agricultural products during August, 1948 and 1949

Commodity exported	Unit	August 1/			
		Quantity		Value	
		1948	1949	1948	1949
				1,000	1,000
ANIMAL PRODUCTS:		Thousands	Thousands	dollars	dollars
Butter.....	Lb.	457	368	394	262
Cheese.....	Lb.	12,292	3,312	6,243	1,212
Milk, condensed.....	Lb.	8,585	4,500	1,728	953
Milk, whole, dried.....	Lb.	8,354	7,336	4,681	3,523
Nonfat dry milk solids.....	Lb.	8,457	20,579	1,337	2,779
Milk, evaporated.....	Lb.	27,780	11,209	4,409	1,449
Eggs, dried.....	Lb.	85	2,018	93	1,918
Beef and veal, total 2/	Lb.	1,777	2,511	728	771
Pork, total 2/	Lb.	2,273	6,749	1,027	2,063
Horse meat.....	Lb.	11,682	2,890	1,963	464
Lard (including neutral).....	Lb.	16,806	28,305	4,218	3,887
Tallow, edible and inedible.....	Lb.	9,663	35,907	1,635	3,064
VEGETABLE PRODUCTS:				:	:
Cotton, unmfd, excl. linters (480 lb.)	Bale	119	172	20,809	28,293
Apples, fresh.....	Lb.	3,191	3,107	226	201
Grapefruit, fresh.....	Lb.	6,023	3,469	189	160
Oranges, fresh.....	Lb.	52,071	25,557	1,824	1,213
Pears, fresh.....	Lb.	130	1,568	17	140
Prunes, dried.....	Lb.	34,140	1,022	2,457	132
Raisins and currants.....	Lb.	20,267	1,936	1,760	236
Fruits, canned.....	Lb.	5,247	6,176	838	812
Fruit juices.....	Gal.	1,047	935	713	897
Barley, grain (48 lb.).....	Bu.	4,202	6,162	11,074	8,052
Barley malt (34 lb.).....	Bu.	364	248	1,195	598
Corn, grain (56 lb.).....	Bu.	279	8,325	591	12,746
Grain sorghums (56 lb.).....	Bu.	5,046	4,012	13,082	5,503
Rico, milled, brown, etc.....	Lb.	19,152	39,882	1,977	2,964
Wheat, grain (60 lb.).....	Bu.	39,923	34,230	106,091	81,614
Flour, wholly of U.S. wheat (100 lb.)	Bag	7,536	1,110	51,919	5,513
Flour, other (100 lb.).....	Bag	36	236	262	1,369
Hops.....	Lb.	195	197	125	114
Peanuts, shelled.....	Lb.	2,065	29,074	395	4,428
Soybeans (except canned).....	Lb.	2,880	73,847	248	3,268
Soybean oil, crude and refined.....	Lb.	6,042	16,874	1,550	2,556
Soya flour.....	Lb.	70,335	5,744	1,091	364
Seeds, field and garden.....	Lb.	811	707	235	214
Tobacco, bright flue-cured.....	Lb.	37,627	48,284	17,479	24,035
Tobacco, leaf, other.....	Lb.	6,230	13,437	3,613	5,781
Beans, dried.....	Lb.	7,894	5,279	881	496
Peas, dried.....	Lb.	6,218	6,468	508	432
Potatoes, white.....	Lb.	37,027	27,717	1,181	821
Vegetables, canned.....	Lb.	6,384	5,918	1,113	868
Total above.....				271,899	216,175
Food exported for relief, etc.....				1,681	1,166
Other agricultural products.....				23,503	26,913
Total agricultural.....				297,083	244,254
Total all commodities.....				983,264	872,784

1/ Preliminary. 2/ Product weight.

Compiled from official records of the Bureau of the Census.

UNITED STATES: Summary of imports for consumption  
of selected agricultural products during August, 1948 and 1949

Commodity imported SUPPLEMENTARY	Unit	August 1/			
		Quantity 1948	Quantity 1949	Value 1948	Value 1949
ANIMALS AND ANIMAL PRODUCTS:		Thousands	Thousands	dollars	dollars
Cattle, dutiable.....	No.	36	33	5,900	3,153
Cattle, free (for breeding).....	No.	5	2	1,171	606
Casein and lactarene.....	Lb.	2,586	3,060	584	387
Cheese.....	Lb.	1,210	1,804	664	1,005
Hides and skins.....	Lb.	15,019	16,213	6,451	6,733
Beef canned, incl. corned.....	Lb.	16,229	9,843	5,323	3,217
Wool, unmfd., excl. free, etc.....	Lb.	31,658	26,821	17,576	17,295
VEGETABLE PRODUCTS:					
Cotton, unmfd., excl. linters (480 lb.)	Bale	10	5	2,085	555
Jute and jute butts, unmfd. (2,240 lb.)	Ton	4	2/	1,537	115
Apples, green or ripe (50 lb.).....	Bu.	2	4	4	9
Olives in brine.....	Gal.	1,007	39	1,580	69
Pineapples, prep. or preserved.....	Lb.	10,974	24,054	1,344	2,816
Barley malt.....	Lb.	971	6,952	71	342
Hops.....	Lb.	10	1	10	1
Almonds, shelled.....	Lb.	355	198	163	46
Brazil or cream nuts, not shelled.....	Lb.	7,123	6,562	812	633
Cashew nuts.....	Lb.	3,954	3,113	1,552	1,212
Coconut meat, shredded, etc.....	Lb.	12,228	9,444	2,712	1,310
Castor beans.....	Lb.	19,758	16,244	1,288	778
Copra.....	Lb.	83,789	77,188	11,459	5,549
Flaxseed (56 lb.).....	Bu.	95	0	538	0
Coconut oil.....	Lb.	5,419	14,485	1,163	1,737
Palm oil.....	Lb.	5,358	7,089	940	1,063
Tung oil.....	Lb.	7,236	4,505	1,350	764
Sugar, excl. beet (2,000 lb.).....	Ton	438	371	42,142	37,683
Molasses, unfit for human consumption	Gal.	8,197	4,607	1,680	329
Tobacco, cigarette leaf.....	Lb.	6,164	6,679	4,864	4,856
Tobacco, other leaf.....	Lb.	1,238	1,862	1,971	2,609
Potatoes, white.....	Lb.	1,575	3,039	36	65
Tomatoes, natural state.....	Lb.	2,373	655	162	27
COMPLEMENTARY					
Wool, unmfd., free in bond.....	Lb.	30,872	11,225	9,372	3,439
VEGETABLE PRODUCTS:					
Bananas.....	Bunch	5,322	4,802	4,511	4,886
Coffee (ex. into Puerto Rico).....	Lb.	177,175	211,329	44,460	55,197
Cocoa or cacao beans and shells.....	Lb.	47,223	49,546	15,709	8,463
Tea.....	Lb.	8,851	7,877	3,969	3,814
Spices.....	Lb.	4,305	6,966	1,863	3,009
Sisal and henequen (2,240 lb.).....	Ton	9	9	2,794	2,768
Rubber, crude.....	Lb.	152,617	111,057	28,365	17,171
Total above.....				228,175	193,711
Other agricultural products.....				29,721	31,534
Total agricultural products.....				257,896	225,245
Total all commodities.....				595,843	512,747

1/ Preliminary. 2/ Less than 500.

Compiled from official records of the Bureau of the Census.

## COMMODITY DEVELOPMENTS

FATS AND OILSARGENTINA'S OUTPUT OF ANIMAL  
FATS DOWN SLIGHTLY FROM 1948 1/

Argentina's production of edible and inedible beef and mutton fats in 1949 is expected to be about 182,000 short tons, according to an unofficial forecast received from the American Embassy, Buenos Aires. This predicted volume, based on unofficial estimates of production of 44,000 tons of edible and 44,000 tons of inedible beef and mutton fats in the first 6 months of 1949, is slightly less than the estimated output of 193,000 tons in 1948.

Lard production in Argentina in 1949 is forecast unofficially at about 25,350 short tons. This is 15 percent more than the estimated tonnage produced in 1948 and nearly half again as much as the output in 1947 of 17,600 tons. The greater output of lard has come about because pig producers, anticipating a renewal of pork sales to the United Kingdom and other continental outlets, increased their farrowings. Production of lard this year would be considerably greater if sales totaling 6,600 tons of pork sides and fat cuts to Germany had not been made.

Exports of tallow and lard from Argentina in the first 6 months of 1949--about 12,000 tons in all--were about one-third as great as they were in the corresponding period in 1948. Prior to the recent devaluation of the Argentine peso it appeared that exports for the whole of 1949 would be less than half of what they were last year. The new Anglo-Argentine trade agreement made late in June provides for the sale of 27,550 short tons of animal fats, most of which is tallow. In late September liftings had been scheduled and were expected to begin soon. Additional sales of lard totaling 14,300 tons were negotiated recently. Of this quantity Italy is believed to be taking 11,000 tons with the balance to go to undisclosed foreign countries with which Argentina probably has bilateral trade agreements.

Stocks of all animal fats in Argentina, as of the last week in September, were estimated by representatives in the trade at 60,000 short tons. Lard stocks, at a low level, were believed to be about 17,600 tons. Edible cattle and mutton fat stocks were estimated at 25,350 and 11,000 tons, respectively, whereas inedible stocks of the two fats combined were about 7,700 tons.

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1/ A more extensive statement may be obtained from the Office of Foreign Agricultural Relations.

Efforts to liquidate the present stocks of stored fats have been made by the Argentine Trade Promotion Institute (IATI). Prices were reduced recently and portions of 1947 stocks, most of which are rancid and have little export value, have been released to domestic soap manufacturers. More than 5,500 tons of rancid edible fats were moved to soap manufacturers in September and, according to reliable sources, most of the rancid stocks henceforth will be moved into these channels.

**U.S. EXPORTS OF SPECIFIED  
FATS, OILS, AND OILSEEDS**

The following table shows United States exports of specified fats, oils, and oilseeds during January-August 1949 with comparisons:

**UNITED STATES: Exports of specified fats, oils, and oilseeds,  
January-August 1949 with comparisons**

Commodity	Unit	Average 1935-39	1947	1948 1/	January-August	
					1948 1/	1949 1/
Soybeans.....	1,000 bu.	2/ 4,793	2,505	6,497	2,316	16,649
Soybean oil						
Refined.....	1,000 lbs.	3/ 6,467	38,883	41,266	32,217	14/ 160,944
Crude.....	" "	3/ 6,467	68,395	41,769	33,961	110,803
Coconut oil						
Refined.....	" "	3,789	5,491	9,273	8,553	2,877
Crude.....	" "	10,442	52,427	9,820	8,241	6,844
Cottonseed oil						
Refined.....	" "	4,793	10,977	22,672	20,426	2/ 44,139
Crude.....	" "	1,515	901	10,094	3,351	32,773
Flaxseed.....	1,000 bu.	3/	16	1,650	15	3,039
Linseed oil.....	1,000 lbs.	1/ 280	9,855	29,636	23,939	6/ 3,039
Peanuts						
Shelled.....	" "	3/ 452	212,253	458,655	244,112	311,543
Unshelled.....	" "	3/ 452	18,681	10,594	5,716	5,021
Peanut oil, refined	" "	7/ 325	1,579	685	664	19,792
Cooking fats.....	" "	2,111	3,594	3,522	8/2,053	9/16,037
Lard.....	" "	165,636	380,735	271,835	184,568	444,633
Oleomargarine.....	" "	180	19,954	3,408	2,800	1,363
Tallow						
Edible.....	" "	3/ 1,651	601	1,377	1,255	20,084
Inedible.....	" "	3/ 1,651	54,553	67,995	36,022	252,287

1/ Preliminary. 2/ Average of less than 5 years. 3/ Not separately classified in Foreign Commerce and Navigation. 4/ January-July total should read 148,759 as a result of changes in February, March, and April figures. 5/ January-July total should read 43,353 as a result of changes in March, April and May figures. 6/ January-July total should read 2,916 as a result of a change in April figure. 7/ 1939 only. 8/ Revised. 9/ January-July total should read 13,772 as a result of changes in March, April and May figures.

U. S. IMPORTS OF SPECIFIED  
VEGETABLE OILS AND OILSEEDS

The following table shows United States imports of specified vegetable oils and oilseeds during January-August 1949 with comparisons:

UNITED STATES: Imports 1/ of specified oils and oilseeds,  
January-August 1949 with comparisons

Commodity	Unit	Average : 1935-39	1947	1948 <u>2/</u>	January-August : 1948 <u>2/</u> : 1949 <u>2/</u>
Babassu kernels	1,000 lbs.	<u>3/</u>	22,233	61,921	35,299 <u>4/</u> 31,592
Babassu oil	"	<u>5/</u> 346	1,747	3,082	1,224 2,112
Castor-beans	"	132,924	276,807	302,511	187,934 <u>6/</u> 163,572
Castor oil	"	226	6,595	2,441	1,362 3,909
Flaxseed	bu.	18,470	282	1,066	1,023 143
Linseed oil	lbs.	713	117,326	3,959	3,596 1,310
Copra	Short tons	230,000	677,660	448,862	333,020 231,242
Coconut oil	1,000 lbs.	342,717	23,559	109,096	54,093 72,415
Citicia oil	"	<u>5/</u> 7,673	8,471	17,558	10,880 5,653
Olive					
Edible	"	62,811	11,250	36,101	23,503 12,860
Inedible	"	35,448	248	9,775	7,434 603
Palm oil	"	321,482	63,212	63,328	36,461 81,196
Sesame seed	"	58,425	9,479	22,606	20,695 7,803
Tea-seed oil	"	13,159	6,377	3,601	3,397 99
Tucum kernels	"	<u>5/</u> 9,810	16,887	11,619	11,373 <u>7/</u> 29,727
Tung oil	"	123,190	121,564	133,282	82,065 35,497

1/ Imports for consumption. 2/ Preliminary. 3/ Not separately classified in Foreign Commerce and Navigation. 4/ January-July total should read 29,829 as a result of a change in February figure. 5/ Average of less than 5 years. 6/ January-July total should read 147,328 as a result of a change in April figure. 7/ January-July total should read 28,846 as a result of a change in April figure.

Compiled from official sources.

### AUSTRIA EXPECTS SMALLER OILSEED OUTTURN

Austria's oilseed output may be smaller this year than in 1948, according to the American Legation, Vienna.

Seedings of winter rapeseed, the principal oilseed crop, totaled 10,270 acres, exceeding the long-term goal by almost 400 acres. However, as a result of fall drought and winterkill, the area for harvest was reduced to 8,520 acres, compared with 10,000 in 1948.

Plantings to other oil crops vary but slightly from the 1948 pattern, with only poppy and sunflower showing a continuation of the postwar upward trend. Incentives for this trend may be the de-rationing of poppy seed in March 1949, and purchases of sunflower seed by Soviet occupation forces. The poppy area is estimated at 3,900 acres compared with 3,600 last year, and the sunflower at 1,070 against 800 in 1948. Acreage sown to other oilseed crops was reported as follows: pumpkin seed, 5,760 (5,800 in 1948); safflower seed, 180 (370); and flaxseed, 900 acres for seed only (comparable figure for 1948 not available but almost 8,000 acres planted for fiber and seed).

Preliminary estimates for crop outturn have been reported for rapeseed and poppy seed. The rapeseed harvest is placed at 3,980 short tons compared with 4,400 in 1948, and poppy seed at 1,200 against 1,100 last year. The yield per acre for both crops was considerably higher than in the 2 preceding years and higher than projected in the long-term program.

Over and above their normal seed requirements, farmers are expected to deliver to the Government all of their oilseed crops, with the exception of poppy seed and flaxseed which were removed from the delivery list in March and May, respectively. As an inducement to make full delivery, farmers are entitled to receive a varying percentage of the extracted oil.

### COSTA RICAN DECREE VIRTUALLY BANS IMPORTS OF TALLOW FOR SOAP

An Executive Decree issued in Costa Rica, effective September 27, 1949, has transferred tallow for soap making from second to third category for exchange control purposes, according to the American Embassy at San Jose. This transfer will make virtually impossible the importation of tallow by domestic users since little, if any, foreign exchange is being granted for articles in third category at this time. This action was preceded by the transfer on August 21 of soaps from first to third category and the transfer on March 11 of tallow from preferential to second category.

(Continued on Page 398)

AGRICULTURAL MACHINERY AND SUPPLIESFARM MECHANIZATION  
DIFFICULT IN PORTUGAL

Tractors are used on only 2 to 3 percent of cultivated land in Portugal. Most tillable land is not suitable for tractors and harvesting machinery. The southern Alentejo plains is the region best adapted for their use. Northern Portugal and the Algarve areas are hilly and cultivated areas are interrupted by many natural obstacles. Tractor operations are difficult in these regions because where the topography would permit laying out fairly large fields, the land is divided into many small plots separated by stone fences or supported grape vines. Most farmers prefer traditional farming methods and look with suspicion upon innovations such as mechanization. Other factors discouraging the use of machinery are the general availability of animal power, low labor costs, high fuel prices, and machinery maintenance and repair problems.

The Government agricultural service has prepared an ambitious plan for increasing mechanical power and farm machinery on Portuguese farms in spite of obstacles to such a project. About 1,200 farm tractors were in operation in 1948 and the plan calls for increasing this number to 3,500 by 1955. Twenty thousand tractors are estimated to be the country's total potential requirements and a gradual expansion in tractor numbers toward this target will continue after 1955.

To facilitate its mechanization plan, the Government hopes to establish a national industry for farm machinery manufacture. Only hand tools and plows are manufactured now and the production of agricultural machinery probably will be severely restricted because Portugal lacks a domestic metallurgical industry.

It seems likely that the major portion of Portuguese expenditures for agriculture will be for increased irrigation and mechanization. Many qualified agricultural technicians disagree with this policy, believing that agricultural production would be increased more if an adequate extension service were established to instruct farmers on scientific methods of cultivation.

PORTUGAL TO PRODUCE MORE  
FERTILIZER FOR FARMS

Portugal plans to build fertilizer plants to supply domestic agricultural needs and avoid the country's present dependence on nitrogen imports. The construction program includes 4 plants scheduled for completion in 1951. The annual production of the plants, which will be 170,000 tons of ammonium sulphate and 10,000 tons of calcium cyanamide, is expected to be ample for domestic farm needs.

Portugal's calcium superphosphate needs are being met by local industry now. The importation of about 220,000 short tons of phosphate rock from North Africa permits production of about 440,000 tons of superphosphate, which more than covers the estimated requirement of about 385,000 short tons.

There are no deposits of potash in Portugal and supplies will continue to be imported from Spain.

MORE FERTILIZER USED  
IN SOUTH KOREA

The ECA fertilizer program has been an important factor in achieving larger grain crops to sustain South Korea's increased population, according to the American Mission in Korea.

Fertilizer imports into South Korea were substantially larger in the fiscal year 1948-49 than in previous years. They were also better balanced as between the 3 principal chemical components-nitrogen, phosphate and potash. Because of the farmers' preference for nitrogen and lack of appreciation of the value of phosphate, fertilizer is now being made available in mixed form only.

Internal distribution difficulties delayed the application of phosphate fertilizer to the 1949 rice crop, thus reducing its effectiveness. It is hoped that the recent Government order to mix all fertilizer before distribution, and the transfer of distribution from the Korean Agricultural Association to the Federation of Financial Associations will assure future distribution to farmers of complete, balanced fertilizers at the proper seasons for application.

SOUTH KOREA: Fertilizer imports  
July 1946 through June 1949

(Short tons)

Period	:	Nitrogen (N)	:	Phosphate (P <sub>2</sub> O <sub>5</sub> )	:	Potash (K <sub>2</sub> O)
July 1946 to June 1947...	:	33,510	:	5,588	:	4,863
July 1947 to June 1948...	:	86,958	:	26,536	:	3,786
July 1948 to June 1949...	:	85,413	:	66,513	:	26,021

Food and Agriculture Division, ECA Mission to Korea.

## CURRENT ITALIAN FERTILIZER SUPPLIES ADEQUATE DESPITE PRODUCTION DROP

With good weather favoring early plowing for the fall-sown crops, supplies of fertilizer continue adequate to meet current demand, according to the American Embassy in Rome. However, availability of nitrogen fertilizer during the second half of 1949 will not permit any increase in consumption over 1948 levels.

The steadily deteriorating hydroelectric power situation continues to darken production prospects for certain types of nitrogen fertilizer, particularly calcium cyanamide. In view of production difficulties, all exports of nitrogenous fertilizers from Italy have been stopped.

## TOBACCO

### ONTARIO HARVESTS RECORD FLUE-CURED TOBACCO CROP

Ontario's 1949 flue-cured tobacco harvest is estimated to be the largest on record and at least 17 percent above the 1948 crop, according to the American Consulate in Hamilton. The area planted to flue-cured tobacco and the yield per acre in 1949 were also above 1948.

The 1949 production of flue-cured leaf in Ontario Province, which normally accounts for over 95 percent of Canada's total production of this type of tobacco, is estimated at between 115 and 120 million pounds. This compares with 98.1 million pounds in 1948 and an annual average of about 81.5 million pounds during the 5 years, 1943-47. The quality of the 1949 crop is reported to be unusually good.

Approximately 88,000 acres were planted to flue-cured tobacco in 1949, compared with 85,000 acres in 1947 and an annual average of 76,000 acres in the 1943-47 period. The 1949 yield is estimated at well over 1,300 pounds per acre. This compares with 1,154 pounds per acre in 1948 and a 1943-47 average of about 1,075 pounds per acre.

### AUSTRIA'S TOBACCO PRODUCTION AND IMPORTS STEADY

Austria's 1949 production and imports of leaf tobacco are near the levels of the previous year, the American Legation in Vienna reports.

The Country's 1949 tobacco crop is estimated at about 770,000 pounds, farm sales weight, or approximately the same as in 1948. The area planted to tobacco in 1949 is estimated at 578 acres, compared with 551 acres in 1948. Most of the 1949 crop was grown in Burgenland, Lower Austria and Styria and is reported to consist largely of Hungarian varieties suitable only for use in chewing tobacco and pipe mixtures.

During the 6 months ending June 30, 1949, imports of leaf tobacco totaled 5,428,000 pounds, or a monthly average of about 905,000 pounds, as compared with 5,687,000 pounds, or a monthly average of 948,000 pounds during the same period of 1948 and a total of 10,133,000 pounds, or a monthly average of 844,000 pounds during the calendar year 1948.

During the first half of 1949, Austria's most important sources of supply for leaf tobacco were the United States, Greece, and Turkey. These countries supplied 1,722,000 pounds, 1,182,000 pounds and 484,000 pounds, respectively. Other countries supplying substantial quantities of leaf during 1949 include Italy, Yugoslavia, Brazil, the Dominican Republic, Pakistan and Bulgaria.

#### TROPICAL PRODUCTS

##### **U.S. IMPORTS OF COFFEE CACAO, AND TEA INCREASE**

In 1948-49 (July to June), the United States imported for domestic consumption 8 percent more coffee, 6 percent more cacao beans, and 14 percent more tea than in 1947-48, according to the Bureau of the Census.

In terms of value, coffee was again the leading agricultural commodity imported into the United States in 1948-49, accounting for nearly one-fourth of agricultural imports and more than one-tenth of imports of all commodities. The quantity of coffee imported increased a little less than 8 percent from 2,677 million pounds in 1947-48 to 2,780 million pounds in 1948-49, while the corresponding value increased slightly more than 8 percent from 655 million dollars in 1947-48 to 709 million dollars in 1948-49. The price of coffee continued high because of declining world production and rising consumption.

The quantity of cacao beans imported into the United States increased about 6 percent from 563 million pounds in 1947-48 to 596 million pounds in 1948-49, but the corresponding value decreased approximately 8 percent from 190 million dollars in 1947-48 to 158 million dollars in 1948-49. This decrease in value was caused by a sharp drop in prices of cacao beans toward the end of 1948, resulting primarily from prospects of bumper cacao crops in the Gold Coast and in Nigeria.

**UNITED STATES: Imports for consumption of coffee, cacao beans, and tea, 1947-48 and 1948-49**

Commodity	1947-48	1948-49
	1,000	1,000
	pounds	dollars
Coffee .....	2,676,677	655,116
Cacao beans .....	563,070	190,149
Tea .....	78,449	38,241

Tea imports into the United States increased 14 percent from 78 million pounds in 1947-48 to 89 million pounds in 1948-49. The value of tea imports increased 16 percent from 38 million dollars in 1947-48 to 44 million dollars in 1948-49. Ceylon and India are still the leading sources of tea imports into the United States, but the return of Indonesia as an important factor in the tea market was foreshadowed by receipt of over 9 million pounds from that source in 1948-49 or about 10 times as much as in 1947-48.

#### TAIWAN'S TEA PRODUCTION DOWN

Taiwan's 1949 tea production is now expected to amount to only 14.2 million pounds, one-third less than the 1948 production of 21.3 million pounds, according to the American Consulate in Taipei. The decrease is attributed to adverse weather which reduced the spring and summer harvests by about half, and to a stagnant export market, higher production costs, and unfavorable exchange rates which removed the incentive for a maximum harvest.

Exports during the first 9 months of 1949 dropped considerably below shipments in the corresponding period of 1948. The rising cost of living has pushed production costs up so high that there is an increasingly narrow profit margin for exporters, and Taiwan teas are tending to price themselves out of the market. An acute shortage of operational funds have further contributed to the decline, and some of the larger Taiwan tea brokers have gone bankrupt.

Tea is grown to some extent throughout Taiwan, but principally in the two northern counties of Taipei and Shinchu on hillsides and tablelands at elevations of 250 to 1,000 feet. A small amount of Assam and Japanese tea is produced, but the bulk comes from plants of Chinese origin. The tea leaves are processed into 3 principal kinds, Oolong, Black, and Pouchong. Oolong is a partially fermented tea, made from leaves allowed to wither 4 or 5 hours before heat is applied. Pouchong is much the same except that it is a flower-scented tea. The crude leaf is mixed with jasmine and gardenia flowers before final firing. Taiwan Black is made from fully fermented leaves and has usually been considered an inferior tea, sold abroad principally for blending purposes. About 20 percent of the 1949 production is expected to be Pouchong and Oolong and the balance Black tea.

COTTON AND OTHER FIBERCOTTON-PRICE QUOTATIONS  
ON WORLD MARKETS

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, and the  
U. S. gulf-port average

Market location, kind, and quality	Date 1949	Unit of weight	Unit of currency	Price in foreign currency	Equivalent :U.S. cents :per pound
Alexandria		Kanter			
Ashmouni, Good.....	10-13	99.05 lbs.	Tallari	61.85	35.86
Ashmouni, F.G.F.....	"	"	"	59.85	34.70
Karnak, Good.....	"	"	"	79.45	46.06
Karnak, F.G.F.....	"	"	"	(not quoted)	
Bombay		Candy			
Jarila, Fine.....	"	784 lbs.	Rupee	1/ 620.00	16.46
Broach Vijay, Fine.....	"	"	"	1/ 690.00	18.32
Karachi		Maund			
4F Punjab, S.G., Fine...	10-12	82.28 lbs.	"	68.50	25.12
289F Sind, S.G., Fine...	"	"	"	72.00	26.40
289F Punjab, S.G., Fine.	"	"	"	77.50	28.42
Buenos Aires		Metric ton			
Type B.....	10-13	2204.6 lbs.	Peso	1/4000.00	37.55
Lima		Sp. quintal			
Tanguis, Type 5.....	10-12	101.4 lbs.	Sol	(not quoted)	
Pima, Type 1.....	"	"	"	(not quoted)	
Recife		Arroba			
Mata, Type 4.....	10-13	33.07 lbs.	Cruzeiro	2/ (not available)	
Sertao, Type 5.....	"	"	"	210.00	34.55
Sao Paulo					
Sao Paulo, Type 5.....	"	"	"	196.00	32.25
Torrecon		Sp. quintal			
Middling, 15/16".....	"	101.4 lbs.	Peso	208.00	23.71
Houston-Galveston-New					
Orleans av. Mid. 15/16".	"	Pound	Cent	XXXXX	29.10

Quotations of foreign markets reported by cable from U. S. Foreign Service posts abroad. U. S. quotations from designated spot markets.

1/ Nominal.

2/ Mata, Type 4, omitted from tables of September 22, 29, and October 6, not available.

THE RAW JUTE SITUATION  
IN PAKISTAN AND INDIA

The 1949 jute crop in Pakistan and India now is expected to be smaller than previously reported, because of damage caused by floods following excessive rainfall during April and May. Although the trade in Calcutta previously had predicted a crop of about 4,000 million pounds (10 million bales), a more likely figure now is believed to be about 3,414 million pounds.

While it is agreed that the original planting of the 1949-50 Pakistan crop was about 12-1/2 percent more than in 1948-49, opinions on the production of last season's crop vary from 5,479,095 bales or 2,192 million pounds, the official estimate, to slightly over 6,000,000 bales or 2,400 million pounds.

The 1948-49 official crop estimate for India was 2,026,575 bales or 810.6 million pounds. A substantial increase in the acreage this season is unquestioned. Estimates of the 1949-50 production in India vary from 1,000 to 1,200 million bales.

The more optimistic view held generally by the trade is of a combined Pakistan and India crop of approximately 3,400 million pounds. The 1948-49 Pakistan crop is taken as 2,400 million pounds, which is high with respect to the official estimate. The following table shows how the estimate is calculated:

PAKISTAN AND THE INDIAN UNION: Calculation of the total jute production from the 1949 crop

	: Pakistan	: Totals
	: production	:
	: Million pounds	: Million pounds
Pakistan:	:	:
1948-49 crop.....	2,400	:
Initial acreage increase 1949-50	:	:
crop of 12-1/2 percent.....	300	:
	:	2,700
Less over-all damage 18 percent.....	486	:
Production 1949-50 crop (minimum)...	:	2,214
:	:	:
Indian Union:	:	:
Production 1949-50.....	:	1,200
Total.....	:	3,414
:	:	:

The official 1949 preliminary acreage estimate for Pakistan and the Indian Union together shows a total of 2,675,075 acres as compared to a final estimate for 1948-49 of 2,642,170 acres. The acreage for Pakistan only is estimated at 1,883,900 acres compared with 1,876,565 acres last year, and that for the Indian Union is 791,175 acres compared with 765,605 acres last year.

From a quality viewpoint, it is reported that the new crop shows an improvement with respect to cleaning. There are less leaf and speck which were so prevalent in last season's deliveries. Because of the stunted growth of the lowland jute, however, the fiber length is short. Crop ends are hard and weedy, due to careless steeping, and this defect requires careful watching in assorting. The fiber length of later arrivals from the midland and highland areas was expected to be better.

About 65 to 75 percent of the Pakistan crop had been cut by August and harvest was expected to be completed by the end of September. Despite the progress in harvesting, deliveries by cultivators into upcountry markets were said to be averaging only about 30 percent of what would normally be expected at that period of the season. The causes for slow deliveries were continued rainy weather and the holding of stock by cultivators in anticipation of higher prices.

Immediately following the announcement of the Indian Jute Mills Association to close member mills one week in four beginning in July, raw jute prices dropped as much as 8.4 cents per bale of 400 pounds, but they had rallied considerably by the end of July. After devaluation of the Indian rupee, effective September 19, markets were closed for 4 days. Unofficial prices were reported to be up 18 to 25 percent on raw jute by the end of the week in Calcutta, India, and down approximately 20 percent in Dacca, Pakistan. Pakistan has not devalued its currency.

All trading in jute futures in Calcutta has been banned, and the Open General License for export of raw jute has been canceled. No raw jute may be shipped to any country without a license, and quotas are in effect for shipments to soft currency countries.

Exports of raw jute from India for the first 6 months of 1949 totaled only about 187 million pounds compared with 359 million in the corresponding period of 1948 and 337 million in January-June 1947. Exports for the calendar year were 526 million pounds compared with 603 million in 1947.

Exports of raw jute from East Bengal (including exports from Pakistan over land frontiers, through Calcutta in bond, and by way of the port of Chittagong) totaled 741 million pounds for the first 5 months of 1949 compared with 1,823 million pounds in the last 9 months of 1948. Data are not available prior to April 1948, nor since May 1949.

Consumption of raw jute in India is estimated at 634 million pounds in the second quarter of 1949 compared with 564 million in the preceding quarter and 584 million pounds in the corresponding quarter of 1948. As a result of the closure of mills of the Indian Jute Mills Association for one week during July, consumption for that month dropped to 150 million pounds as compared to the average monthly consumption during 1948 of more than 208 million pounds.

Mills of the Indian Jute Mills Association, during April-June, continued their policy of "hand-to-mouth" purchases. Purchases during the second quarter of 1949 amounted to 262 million pounds compared to 322 million during the preceding quarter and 489 million during the corresponding quarter of 1948. Purchases during June were less than for any single month since May of 1947. Following the big drop in jute prices early in July, the mills began purchasing again and took 204 million pounds--the largest quantity for any month since last December. Depleted mill stocks, as well as reduced prices, accounted for the increase in mill purchases.

The trend of Calcutta mill stocks of raw jute for the past 2 years has been downward. The first 4 months of 1949 found the mills in a better position as to stocks than during the corresponding period of 1948, but at the end of July a low of only 377 million pounds was reported. In 1947 the largest month-end stock reported was 936 million pounds at the end of February and the lowest was 477 million at the end of September. In 1948 the highest was 724 million for December, with the next highest of 722 million in February. The lowest stock figure reported for the year was 410 million pounds at the end of August. In 1949 a high of 326 million pounds was reported at the end of February. This was followed by steadily decreasing quantities until July (the last month for which stock figures are available), when only 377 million pounds were reported.

#### GRAINS, GRAIN PRODUCTS AND FEEDS

##### U.S.S.R. GRAIN HARVEST AND GRAIN DELIVERIES DELAYED

The Ukraine reported the completion of compulsory deliveries of small grains to the State on September 30th, 25 days later than last year. The quota was reported to have been exceeded by 0.3 percent but no indication as to quantities delivered this year is given. In 1948 it was reported that the deliveries on September 5th were more than the equivalent of 2,000,000 short tons in excess of 1947 and nearly 600,000 short tons in excess of 1940.

The delay in completion of compulsory deliveries of grains reflects the harvesting difficulties due to excessive rains during the past summer. Compulsory deliveries are based on specified quantities per unit of tillable land at low fixed prices and are exacted by the Government speedily at the time of the harvest.

Rains in September also interfered with harvest and compulsory deliveries in Siberia, where grain usually is cut later than in the Ukraine and other European regions. Siberia is an important part of the Russian spring wheat belt, while in the Ukraine winter wheat normally predominates, followed by rye, barley, oats, spring wheat and corn.

#### ARGENTINE RICE

##### ACREAGE UP

Trade sources expect an increase of 10 to 20 percent over last year in Argentina's rice acreage for 1949-50, according to information the American Embassy, Buenos Aires. This would be about 148,000 acres, the largest planting ever reported. If yields are near the 1944-48 average, the new crop may reach around 7,462,000 bushels of rough rice. This would be the second largest crop on record, exceeded only in 1943-44 when 8,690,420 bushels were harvested from 138,000 acres as the result of extraordinary yields.

The stimuli for expanded plantings are high prices following the removal of price ceilings last April, the continued high level of consumer demand, and the shortage of foreign exchange for rice imports. At the end of April price ceilings were removed and minimum prices established. The actual prices paid by millers have exceeded the minimums by considerable margins and retail prices in Buenos Aires are double the ceiling price prevailing early this year, indicating relative scarce supplies. The situation for rice growers thus differs sharply from that for the producers of export crops where prices and production have tended to decline.

#### TURKEY'S RICE PRODUCTION RISES

Tentative estimates by officials of Turkey's Ministry of Agriculture place Turkish 1949 rough rice production at 5,150,000 bushels from 63,000 acres. This preliminary estimate for 1949 compares with (revised) 1948 production of 4,483,000 bushels from 59,300 acres.

Turkey consumes its entire production of rice and imports have been limited to about 650,000 pounds from Italy in 1948 and again in 1949. Wholesale prices for most types of rice have remained stable since last year.

No information is available covering stocks of rice on hand, but supplies appear ample to meet requirements until the new crop is marketed. With production expected to rise about 20 percent, no shortage is anticipated for the coming year.

LIVESTOCK AND ANIMAL PRODUCTSLIVESTOCK NUMBERS IN  
IRELAND INCREASE

Livestock numbers in Ireland on June 1, 1949, were considerably higher than a year earlier, according to preliminary estimates. Total cattle numbers were reported to be more than 4 percent larger, pigs nearly 45 percent and sheep about 5 percent above those of the preceding year. Cattle one year old and under 2 years and those under 1 year increased by 8 and 11 percent, respectively.

The proportion of young cattle to older cattle is greater than it has been for some time. Although the increase in pig numbers is significant, present numbers of around 662,000 head are considerably below the prewar total of about 1 million head. For the most part all livestock numbers seemed to have leveled off in 1947 and 1948, but the trend is upward in 1949. The general upturn in the trend reflects an improved feed situation in Ireland.

Ireland: Livestock on June 1, 1949  
with comparisons.

Classification	Average : 1936-40	Average : 1941-45	1947	1948	1949 1/
	Thousands	Thousands	Thousands	Thousands	Thousands
Cattle, total	4,021	4,165	3,950	3,921	4,100
Milk cows and heifers in calf	1,356	1,311	1,240	1,262	1,288
Yearlings	909	925	846	742	2/ 811
Calves under 1 year	1,007	977	851	853	950
Other, 2 years and over	724	925	988	1,040	2/1,051
Bulls	25	27	25	24	3/
<u>Hogs</u> , total	978	505	457	457	662
Sows	99	48	43	47	68
<u>Sheep</u>	3,076	2,681	2,094	2,058	2,167

1/ Preliminary

2/ Includes bulls

3/ Included with yearlings, and other cattle 2 years and over.

Compiled from official sources

FINNISH MILK PRODUCTION  
ABOVE PREWAR

Reported milk deliveries in Finland during the first 6 months of 1949 were about 59 percent larger than in the first half of 1948. Many creameries in Finland have received milk deliveries that approach or exceed prewar levels. This sharp increase in milk production resulted from better feeding last winter, good pastures this summer.

The 1949 production of Finnish cheese is expected to exceed the prewar output of 1939 by 10 percent.

Postwar shortages of available foodstuffs caused the Finns to consume considerably larger quantities of cheese. Now that other foods are again obtainable in more adequate quantities, the domestic consumption of cheese has declined considerably.

The increased production and declining consumption of cheese has given rise to a considerable exportable surplus. The estimates and comparison of cheese production and exportation are illustrated in the following table.

Finnish cheese production and exports  
1937-39, 1949

Year	Production	Exports
	1,000 <u>kilograms</u>	1,000 <u>kilograms</u>
1937.....	9,533	6,610
1938.....	11,008	6,771
1939.....	11,345	5,820
1949*.....	12,470	2,000

\*Estimated.

(1 kilogram = 2.2046 pounds)

FATS AND OILS

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## COSTAN RICAN DECREE---

The original transfer of tallow from preferential to second category was effected, according to a Costa Rican Government official, because of the removal of export controls on tallow in the United States with an accompanying drop in price of that commodity. He stated that the price of beef in Costa Rica is determined to a large extent by the price at which beef fat and tallow are sold to the local soap factories. Consequently, if the lower-priced tallow from the United States were allowed to enter Costa Rica without restriction the retail price of beef would have to be increased appreciably with a corresponding increase in the cost of living. The official stated further that the change of tallow from the first to the second category was a direct result of the transfer of all soaps from first to third category.

SWISS PRICE SUPPLEMENT  
NOW APPLIES TO SOYBEANS

A Swiss ordinance dated September 19, 1949, stipulated that subsequent to September 23 additional vegetable oil materials imported into Switzerland and clearing through Swiss customs would be subject to the "price supplement" decree effective July 15, 1949 (see Foreign Crops and Markets, August 15, 1949). The products affected, together with the price supplements, are as follows:

<u>Product</u>	<u>Price supplement in U. S. dollars per short ton 1/</u>	<u>Previous</u>	<u>New</u>
Soybeans (for manufacture of edible fats and oils)	\$2.12		\$4.24
Oleaginous grains, fruit, green walnuts for the manu- facture of edible fats and oils other than peanuts (arachides) and copra	2.12		4.24

1/ Conversions of Swiss francs to U. S. dollars made on the basis of one franc being equal to \$0.2336.

## CHINESE AUTHORITIES ALLAY OIL PRICE RISE BY DUMPING

A further rise in Chinese oil prices has resulted in authorities instructing the Chinese Vegetable Oil Corporation to begin dumping operations, according to a recent communication.

### FRUITS, VEGETABLES AND NUTS

#### POLAND'S 1949 POTATO CROP UP 20 PERCENT

Poland, normally the world's third largest potato-producing country is believed to have a 1949 crop 20 percent larger than the large crop of last year, according to the United States Embassy at Warsaw. Before the war only the Soviet Union and prewar Germany produced more potatoes than Poland. With Germany now divided, Poland is actually the world's second largest producing country.

Last year Poland's crop was estimated at 983 million bushels which increased by 20 percent would make the 1949 crop about 1.2 million bushels. Such a crop would be 33 percent larger than the 904 million bushels produced in 1947, 75 percent larger than the 687 million bushels produced in 1946 and 34 percent larger than the prewar average of 894 million bushels produced in the area constituting postwar Poland.

The large crop in Poland this year can not be considered an indication of any widespread upward trend of the 1949 potato production all over Europe. Quite the opposite is true. The remainder of Europe will be considered in greater detail in the 1949 world potato summary to be published in Foreign Crops and Markets early in November. At this time, however, it may be stated that the 1949 crop in most European countries is smaller than last year.

Poland's potato acreage has done better this year than that of the Soviet Union, indicating that the situation in Poland is not indicative of conditions throughout the Iron Curtain area. The Soviet acreage is reported to be slightly above last year, but due to heavy rains in July and August potato yields may be down. At the excessive moisture has caused considerable official comment in Soviet newspaper editorials regarding potato-keeping qualities and supplies.

